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COMMUNITY AND ECONOMIC  
DEVELOPMENT DIVISION

B-197327

March 18, 1980

The Honorable Doug Walgren  
House of Representatives

Dear Mr. Walgren:

Subject: [Review of a Land and Water Conservation  
Fund Commitment for a Public Park on  
Neville Island, Pennsylvania] (CED-80-85)

In an October 30, 1979, letter, you requested that we inquire into whether there is any basis to the allegations that either the Hillman Company or Allegheny County officials knew that toxic chemicals were buried on the proposed Neville Island park site. You also asked us to inquire into whether the Hillman Company or Allegheny County misrepresented the condition of the site when information was supplied to the Department of the Interior to secure public funds. Further, you asked us to inquire into who is responsible for the extensive cleanup costs required to make the park site usable.

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SUMMARY OF FINDINGS

We did not find any evidence at the Federal or State level that Allegheny County misrepresented the park site conditions when it applied for funds from the Department of the Interior. Further, the Allegheny County Solicitor stated that in his opinion the county did not misrepresent the park site conditions when it applied for Federal funds.

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Federal and State officials have stated that either the Hillman Company or Allegheny County would be liable for any costs associated with cleaning up the Neville Island site. Federal funds will not be disbursed until the toxic chemicals have been removed and the park becomes usable. The county and Hillman Company are in the process of trying to resolve this issue.

We limited our inquiry to information available from Federal and State records. We did not review county or Hillman Company records because no Federal funds had been granted and, therefore, we had no authority to include them

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in our review. We met with officials from the Department of the Interior's Heritage Conservation and Recreation Service, the Environmental Protection Agency, Pennsylvania's Department of Community Affairs and Department of Environmental Resources, and the Allegheny County Solicitor.

BACKGROUND

The Land and Water Conservation Fund Act of 1965 (Public Law 88-578, as amended) provides grants to States and local governments for planning, acquiring, and developing outdoor recreation projects. The act restricts grants to 50 percent of the project cost and requires the State or local government to finance the remaining share.

In December 1976, the Secretary of the Interior committed \$900,000 to the State of Pennsylvania for the acquisition and development of a park on Neville Island, Allegheny County. The county's matching share consisted of approximately 29 acres of land which had been donated by the Hillman Company. The project proposal was submitted by the Department of Community Affairs which administers the local Land and Water Conservation Fund program in Pennsylvania and was approved by the Department of the Interior in August 1977.

In March 1979, Federal and State officials became aware of possible toxic chemicals at the park site when this information was made public through various newspaper articles. Shortly thereafter, the Board of Allegheny County Commissioners retained Fred C. Hart Associates, Inc., an engineering firm with expertise in toxic chemicals, to investigate the on-site toxic chemical problem. Its July 1979 report concluded that numerous quantities of toxic chemicals found at the site posed a public health threat.

Subsequently, the commissioners agreed to have Fred C. Hart Associates determine the off-site environmental effects of the chemicals buried at the park and to outline alternative remedial measures. In January 1980 it completed and submitted its second report stating that the unsecured chemicals in the park site add to the overall degradation of the Ohio River water quality. It listed the following alternative measures and capital cost estimates to reduce or eliminate the contaminants to the environment.

Continue park closure and abandon plans for the park	\$150,000 to \$250,000
Remove contaminated waste, with intent to rebuild the park	\$ 7,000,000 to \$24,000,000

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Develop limited park in the	\$300,000 to
eastern section of the property	\$430,000

In addition, it stated, "regardless of the option finally selected, continued monitoring and maintenance would be required to determine the effectiveness of the chosen plan."

NO MISREPRESENTATION FOUND AT THE  
FEDERAL OR STATE LEVELS

We did not find any evidence at the Federal or State level that Allegheny County misrepresented the park site conditions when it applied for Federal funds in October 1976.

The Allegheny County application contained required information that included the description and the cost of the project, specific plans, and a limited environmental assessment statement. The assessment concluded that the proposed project would change the present environment of the area but that the changes would be for the better. The application was reviewed by the Pennsylvania Department of Community Affairs and the Department of the Interior. The proposed project data Allegheny County submitted made no reference to toxic chemical wastes.

Federal and State officials said that they were not aware until March 1979 of any toxic chemical wastes buried at the site. A review of available records in Federal and State files on this project support this statement.

Pursuant to July 26, 1979, directives by the Board of Allegheny County Commissioners, the County Law Department reviewed the county records and files pertaining to the acceptance of land on Neville Island and the subsequent development of the park. Its review results, reported to the Board in a memorandum dated October 12, 1979, concluded that it appeared that many parties were irresponsible, lax, misguided, or unprofessional in attempting to deal with the problem of toxicity at the park site.

The Allegheny County Solicitor stated that in his opinion Allegheny County did not misrepresent the park site conditions when it applied for Federal funds. He stated he preferred not to render any opinion of whether the Hillman Company misrepresented the park site conditions when the land was donated to the county.

CLEANUP COSTS

The Director of Pennsylvania's Bureau of Recreation and Conservation, Department of Community Affairs, ~~and the Acting Chief, Division of State Programs, Heritage Conservation and Recreation Service,~~ stated that either the Hillman Company or Allegheny County would be liable for any costs associated with cleaning up the Neville Island park site.

CURRENT STATUS OF FEDERAL FUNDS

As of February 1980 Federal funds had not been disbursed. The Director of Pennsylvania's Bureau of Recreation and Conservation, Department of Community Affairs, said funds will not be disbursed until the health hazard had been resolved and the Department of the Interior has granted approval for payment.

Officials from the Department of the Interior said that they will decide what to do about the \$900,000 Federal commitment after considering (1) the remedial measures recommended by Fred C. Hart Associates and (2) the specific actions taken by Pennsylvania and Allegheny County.

The county is currently reviewing the results of the Fred C. Hart Associates report. Also, the County Solicitor stated that representatives from Allegheny County and the Hillman Company have been negotiating to resolve the conditions at the park site including alternatives and responsibilities.

At your request, we did not take the additional time needed to obtain agency comments on the matters discussed in this report.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 7 days from the date of the report. At that time we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,



Henry Eschwege  
Director